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SECURITY INFORMATION

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19 September 1952

Memorandum for Mr. Becker

Subject: NSC Senior Staff Meeting concerning Present and  
Prospective NSC Projects

1. At its meeting on Thursday, 18 September, the Senior Staff reviewed the Status of Projects and considered what new or revised projects should be initiated. This summary of the decisions reached should be read in conjunction with my briefing memorandum for Mr. Dulles, a copy of which is attached. I have preserved the same headings and numbering.

A. Projects listed in the current NSC Status of Projects.

Item 3, NSC 26: Mr. Dulles reiterated that there had been substantial changes since State's recent progress report, so that this progress report presented a far too optimistic picture of the situation. In view of the possible urgency of this matter in the light of the situation in Iran, Mr. Dulles urged a prompt review by State, in conjunction with responsible CIA offices (NEA under DD/P). [REDACTED] suggested an oral supplementary statement by the Secretary of State at the Council meeting scheduled for 24 September, but the State representative said this would be difficult. Mr. Dulles expressed the view that something more comprehensive was necessary. It was left that the State representative would recommend to the Secretary that a new report be initiated immediately, and further recommend that the Secretary state at the Council meeting that this was being done and that the inadequacy of the recent report was recognized. 25X1A9a

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Item 7, NSC 118/2: Mr. [REDACTED] reported on the JCS conference, which will concern possible courses of action in Southeast Asia. Mr. [REDACTED] stated that State and Defense had made some progress in June in persuading [REDACTED] France to accept sterner measures in certain eventualities. The JCS conferees had been given a free hand and would press on military grounds for the imposition of blockade in stated eventualities. The representatives of the other four countries will be wholly military, so that the question of blockade and other measures will be considered without regard to general political considerations. Mr. [REDACTED] thought that, because of the close relationship 25X1A9a

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between the Southeast Asia and Korea policies, the results of this conference would be of such importance in resolving existing differences that work on this NSC paper should not be resumed until the conferences were completed. State did not object to this, and stated that its difference with Defense really revolved less about the choice of measures than about the necessity of getting maximum prior commitments from our allies. The NSC paper thus remains in abeyance pending the JCS conference.

Item 9, NSC 107/2: The Senior Staff generally pressed the State representative hard for a new paper that would at least summarize the policy on which we were in fact proceeding at present. Mr. Lay and others argued strongly that the new Administration should be presented with a policy statement more recent than July 1951, even though the difficulties of formulating details of policy were recognized. The State representative talked rather in terms of a new progress report under the existing 107/2, but agreed to look into the question of a new policy paper. Mr. Dulles raised the question of a new estimate, and the State representative indicated that from his standpoint one appeared desirable. It was left that he would communicate this view to OIR. The discussion was very brief and did not amount to a directive for an estimate or a commitment by us to supply one.

Item 10, NSC 128: Defense stated that a draft existed and was being cleared in the Pentagon. (I am taking steps to try to obtain this, if necessary on a personal basis.)

Item 18, NSC 133: Defense stated that it no longer <sup>desires</sup> to hold up action on this. It will therefore be scheduled for early consideration. (O/SI has some queries on this, which we may wish to raise at the appropriate time.)

B. Projects not so listed, but in which CIA has a large share of the action responsibility.

None of these was discussed. At Mr. Dulles's request, I obtained prior to the meeting a detailed briefing from General McClelland on the status of [REDACTED]. This will be put in a separate memorandum for your files, in case further question arises.

C. New Projects.

1. Policy Paper on Latin America. Mr. Dulles suggested that the lack of any paper on this over-all area was a conspicuous omission and should be remedied. He pointed out the emergence of the threat of

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Peronism as a particular feature of the situation. The suggestion was enthusiastically seconded by several of the Senior Staff, and the State representative indicated agreement that a paper was in order. Presumably State will be following up.

2. Policy Paper on Central and South Africa. Contrary to earlier intimations by Mr. [REDACTED], no paper on this subject was proposed. 25X1A9a

3. Policy Paper on North Africa. The State representative reported that the paper was still in the process of clearance within his Department.

4. Revised Policy Paper on Soviet Satellites. The State representative indicated a review was needed of NSC 58/2 on this subject, which has not been revised since its approval on 8 December 1949. Presumably State will be the initiating party, but I suggest that DD/P examine NSC 58/2 so that we may be prepared to take an active part.

5. Revised Policy Paper on Asia. Mr. [REDACTED] said he thought it was about time for a revision of NSC 48/5, approved 16 May 1951. He pointed out that the over-all Asia problem was closely related to the issues now being thrashed out in connection with NSC 118/2 supra. 25X1A9a

6. Revised Policy Paper on South Asia. (See Item A 1 of briefing memorandum.) The DMS representative suggested revision of NSC 98/1, approved 24 January 1951, on which a progress report has just been filed by State. The State representative undertook to look into this.

7. Policy Paper on Defense Against Air Attack. The NSRB representative indicated he would soon introduce a paper designed to resolve the issues raised in his comments on NSC 135/1, concerning the relationship between passive and military defense measures against air attack. Presumably [REDACTED] project and, to a lesser extent, NIE-64 (I), will bear on this. 25X1A9a

8. Revised Policy Paper on Greece. The representative of the Bureau of the Budget stated that in his recent trip to Greece he had encountered considerable uncertainty and some conflict of views between the Ambassador and MSA representatives. Mr. [REDACTED] also noted apparent conflict between the views of General Ridgway and Viscount Montgomery. Policy for Greece is now contained in NSC 103/1, dated 14 February 1951. The State representative said he would look into the situation. 25X1A9a

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25X1A9a 9. Policy Paper on European Integration. The representative of the Bureau of the Budget said that he had encountered uncertainty in Europe, specifically in USIS and MSA circles, as to exactly what US policy was toward European integration. The State representative thought that the position of the US had been made abundantly clear in statements by the Secretary and more recently by Ambassador Dunn and that the difficulty might be one of liaison rather than formation of policy. He undertook to look into it. In the same connection, Mr. [REDACTED] stated that it was becoming increasingly important to work out a US position on the subject of non-military functions for NATO. Such functions, specifically trade policy, were being thrust upon NATO by force of circumstances in some cases, and the issue might come to assume serious proportions.

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